

HB854 Statewide Housing Study

Program Fact Sheet

Sponsoring Partnerships and Revitalizing Communities (SPARC)

Virginia Housing

Note: This fact sheet was created in October 2021. Program details can change regularly. For the most up-to-date information on this program and a program contact, please visit the link below:

[Link to program website](#)

01 Program goals

SPARC enables a one percent mortgage interest rate reduction to eligible first-time homebuyers, thereby increasing their purchasing power and potentially saving thousands of dollars over the life of the loan. By making home purchases more affordable, the program supports its Sponsor's homeownership efforts.

02 Funding sources

This program is funded by Virginia Housing with Resources Enabling Affordable Community Housing (REACH) funds, which receive a set-aside of Virginia Housing's net revenues.

03 Governance

The SPARC program selects sponsors through a competitive application process that entails two levels of review, with the final decision made by Virginia Housing's Grant Leadership Committee.

04 Population served

This program is designed to help a sponsor (a locality or non-profit organization) leverage its

homeownership program. Homebuyers must qualify for a Virginia Housing loan and meet one of the priority areas of the program:

1. they must represent underserved markets, which means supporting the housing opportunities of minorities and diverse cultures, and VH's Underserved Regions, as defined in the Funding opportunity;
2. they must be in a Virginia Housing Rural Areas, as defined in the Funding opportunity; and
3. they must help advance community revitalization, which means supporting neighborhood revitalization or being within the neighborhood stabilization program or Opportunity Zones.

05 How program works

A special allocation of reduced rate funding is made available to the sponsor through Virginia Housing's approved lenders. The sponsor is responsible for identifying homebuyers that meet the Priority Areas. The Sponsor will sign off on the SPARC Lock Form once the homebuyer has chosen a lender, and then the Lender "Requests a Lock." SPARC can be used with a Virginia Housing Product and it would follow all eligibility and underwriting requirements.

06 Program history

This program began in 2002.

07 Program highlights

- The number of Virginia Housing loans with CHR or SPARC rate reductions has increased significantly from zero in FY 2017 to over 60 in FY 2021.
- CHR and SPARC rate reduction loans have generally served Small Metro and Rural Housing Markets between FY 2018 and FY 2021.

- Between FY 2018 and FY 2021, an average of 10% of SPARC reductions have served individuals purchasing a manufactured home.

List of SPARC Sponsors:

Arlington County Government
Blue Ridge Housing Network, Inc.
Centro de Apoyo Familiar
City of Alexandria - Office of Housing
Community Housing Partners Corporation
Fairfax County Redevelopment and Housing Authority
First Home Alliance, Inc.
Habitat for Humanity Virginia
Hampton Redevelopment Housing Authority
Hampton Roads Planning District Commission
Housing Opportunities Made Equal of Virginia, Inc. (HOME)
Latino Economic Development Corporation of Washington, DC
Loudoun County Office of Housing
Nelson County Community Development Foundation
Norfolk Redevelopment & Housing Authority - HomeNet Homeownership Center
People Incorporated of Virginia
Piedmont Housing Alliance
Prince William County OHCD
Southeast Rural Community Assistance Project, Inc
The Maggie Walker Community Land Trust
Urban League of Hampton Roads, Inc.
Virginia Department of Housing and Community Development (DHCD)